

*John Muskie Comm. S.*  
*Ch. AS-03-2*

# NATIONAL INTERGOVERNMENTAL AFFAIRS COUNCIL

Mr. MUSKIE. Mr. President, in a Senate speech on March 25, I warned that there was too much tension and conflict in the implementation of Great Society programs—from top Federal policymakers to State and local officials—and I called for a wholly new policy of coordinating Federal aid, and working with the State and local governments to help them improve their administrative effectiveness.

The point that I made then—and I reiterate it now—is that we are headed for trouble in the building of the Great Society if we do not pull the Federal Establishment together and develop a more positive attitude of helping State and local governments meet their increasing public needs.

We have initiated more dynamic new programs and appropriated more Federal aid during the past five sessions of Congress than in all the previous Congresses going back to 1789, but our programs are only as good as the machinery that carries them out. At the moment, the machinery is seriously in need of modernization. The spotlight now must be shifted to procedures for making these programs work in the fastest and most effective way. We must take a hard look at our Federal system of government and see where it is failing to meet the challenge of the sixties and of the decades to come.

In my speech I made some 13 suggestions which I felt would provide a good beginning in the modernization of our administrative machinery and better working relationships between Federal, State, and local governments. Implementation of some of these, I understand, is already underway at the executive level, and this is encouraging. Two of these proposals, however, require the mandate and support of Congress, whose responsibility for strengthening our Federal system is equal to that of the executive branch.

The first such area concerns the development of a new, comprehensive Federal aid program designed to help State and local governments upgrade their public service and improve their intergovern-

mental cooperation in the personnel field. This is the subject of the proposed Intergovernmental Personnel Act of 1966 which I introduced on this floor on May 25.

The second area involves the establishment of a new, and permanent, operating unit in the Executive Office of the President for developing and enforcing the coordination of Federal programs and policies, for resolving interdepartmental conflicts, and for keeping in constant touch with State and local leaders to encourage their cooperation in joint-action programs. This is the subject of the bill which I introduce today.

I believe that these two legislative proposals, together with S. 561, the intergovernmental cooperation bill presently being considered by the House, will provide a very creative and far-reaching effort toward developing a total governmental approach to economic and social development problems.

#### A NATIONAL INTERGOVERNMENTAL AFFAIRS COUNCIL

The bill which I now introduce, for appropriate reference, would establish in the Executive Office of the President a National Intergovernmental Affairs Council, chaired by the President and composed of the Vice President and those Cabinet officials and agency heads whose programs have a major impact on State and local government. Its membership would include the Secretaries of HUD, HEW, Labor, Agriculture, and Commerce; the Attorney General; the Director of the Office of Economic Opportunity; the Director of the Bureau of the Budget; the Chairman of the Advisory Commission on Intergovernmental Relations; and such other top-ranking officials as may be designated by the President.

The Council would be—and I emphasize this—a "working" organization both to advise the President and to see that agreed-upon administrative procedures are carried out and made effective. It would have a top-flight Executive Secretary in direct contact with the President. The Council's secretariat would be composed of experts independently selected and directly responsible to the Executive Secretary and to the President. This secretariat would be assisted by top-level policy officials—no lower than deputy under secretaries or equivalent—from the departments and agencies specially designated to handle program coordination and intergovernmental relations.

The role of the NIAC is expected to be a broad one. It would go far beyond the staff responsibilities of the Bureau of the Budget and the Council of Economic Advisors, but nevertheless would utilize the resources of these offices. It would be a staff and operating arm of the President—a forum for determining administrative policies for domestic program coordination, and a mechanism for overseeing their implementation. At the same time, it could be the President's ombudsman, a watchdog for domestic trials, a central information agency, and an inspector general for the effectiveness of domestic programs. It would be con-

cerned with both urban and rural development—as a multidepartmental responsibility involving education, housing, transportation, public facilities, law enforcement, civil rights, and other issues. It would play a strategic role in national long-range planning, and assist State and local governments in their own development efforts.

A National Intergovernmental Affairs Council, as its name implies, is essentially oriented toward helping the States and local communities develop all available resources to better meet their expanding public needs. With the assistance of the Bureau of the Budget and the department and field offices, it could develop a computerized clearinghouse system which would provide immediate information to the President and others concerning: First, the social, economic, and other basic characteristics of individual States and local areas; second, efforts on the part of these jurisdictions to meet their growth problems and projected needs; third, Federal aid programs which are now assisting specific State and major local jurisdictions; and fourth, those available Federal assistance programs which have not been utilized by such units but could assist them in meeting their individual program needs.

Through NIAC's offices, the President would have the opportunity to be constantly informed about any area in the country as to its problems and requirements. The President would have the means of developing flexible and more direct relationships with State and local leaders. And the States and localities, in turn, could be secure in knowing that "someone up there" in the complex of the Washington bureaucracy was concerned with their problems.

In this respect, NIAC could also provide the leadership and the organization for calling conferences of Governors, mayors, and other leaders for a review of national and regional problems and for the development of new approaches to meet intergovernmental needs. Such conferences and special meetings with the Council's secretariat would be helpful to the Federal Government in getting an up-to-date assessment of regional, State, and local problems. They would be helpful to the States and local governments because they would provide a forum for the airing of complaints and the discussion of new proposals.

Finally, NIAC could provide effective support at the executive level to the regional development commissions and programs authorized under the Appalachia Regional Development Act—Public Law 89-4—and the Public Works and Economic Development Act of 1965—Public Law 89-136. The thrust of this legislation is to stimulate economic development and public improvement in the regions that have lagged behind the Nation in their growth. To encourage greater State and local cooperation, it provides for special regional commissions of Governors and Federal representatives to study major needs, recommend comprehensive plans for program coordination and priority, and determine long-range goals for joint action between the Federal Government and State and local jurisdictions. The legislation also pro-

vides for subregional economic development districts and authorities, for more localized planning and programing.

This is a modern approach toward the administration of Federal aid programs and improvement in intergovernmental relations, but as it is multifunctional in nature, its success really depends upon an authority in Washington which can effectuate agency coordination and provide a more direct linkage between the President and the regional and subregional authorities.

At the moment, this joint-action regional development effort is being conducted out of the Department of Commerce, at which level it may be seriously frustrated in its power to obtain full Federal cooperation. Similar frustrations are being felt in the Federal antipoverty program, Agriculture's community development effort, the new Department of Housing and Urban Development's metropolitan improvement programs, and HEW's regional health and education planning.

A national intergovernmental affairs council, I feel, could be the most appropriate type of executive authority to determine the best procedures for obtaining combined agency support for regional development, and better cooperation with State and local agencies and leaders.

#### THE BURDEN OF THE PRESIDENCY

Mr. President, the toughest job in the world is that of the President of the United States. He is head of State, Chief Executive, our chief foreign affairs spokesman, Commander in Chief of our military forces, and now chief administrator of our explorations into outer space. He works and sleeps always within reaching distance of the "hot line" and the nuclear trigger.

It is the President's constitutional responsibility to keep Congress informed of the problems of the country, and his political responsibility to come up with legislative proposals for resolving them. After he goes through the frustrating and energy-draining experience of guiding his proposals through Congress, he is saddled with the even more frustrating responsibility of making these proposals work. And in the domestic field he must rely primarily for the success of his programs on State and local administrators—over whom he has no control. But as the number of Federal programs multiply, the President's administrative responsibility stretches and the interlevel tensions become more acute.

No other democratic country on the globe expects so much from its chief executive. None is so quick to complain or criticize when things do not run smoothly. None places so much faith in one man.

It is time, then, that we fully recognize that this one man alone cannot coordinate the Federal Establishment and oversee the implementation of Federal programs at the State and local levels. Constitutionally and politically, we have imposed an inordinate responsibility on the Presidency to administer the laws that are to promote our national goals. But, as Clinton Rossiter has pointed out

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in his "The American Presidency," the President "has more trouble playing this role successfully than he does any others," for this is the one major area "in which his powers are simply not equal to his responsibilities."

#### EVOLUTION OF THE ADMINISTRATIVE PRESIDENCY

The difficulties of the President's role as Chief Administrator have been recognized by competent scholars and officials for a number of years. Many have analyzed the problem, and some have developed meaningful proposals that have been adopted, but only a few have concerned themselves with the administrative challenge that confronts the Presidency today.

On the day of Woodrow Wilson's inauguration, President Taft was reported to have told the new President:

I'm glad to be going—this is the loneliest place in the world!

Later, President Wilson was said to have confided to friends:

The responsibilities of the President are great, and I cannot perform them alone. If I can't have the assistance of those in whom I have confidence, what am I to do?

Largely as a result of the efforts of these two Presidents, a landmark in improved executive leadership was reached. The Budget and Accounting Act of 1921 gave to the Presidency, for the first time, the staffing and authority to prepare a coordinated Federal executive budget for submission to Congress, and to develop a central clearinghouse for preparing administration legislative proposals. Up to that time, departments and agencies presented their fiscal requirements directly to Congress, and the President had great difficulty in establishing any system of program priorities. Budget control, then, gave the Executive a strong managerial tool for guiding the operation of the Federal Establishment.

Initially, the Bureau was thinly staffed, and its role was clouded by its incorporation in the Treasury Department. Moreover, under its first three Presidents, the Bureau was largely concerned with retrenchment and cost cutting. The opportunity to develop a budget for creating a unified presidential policy and for gauging program effectiveness was largely ignored.

The depression period of the 1930's led to a new look at the problems of presidential control over Federal departments. Initiated by President Roosevelt, the President's Committee on Administrative Management, headed by Louis Brownlow, probed every part of the Federal sector and found that "the President needs help." The Committee described a condition and posed questions that are still relevant:

Our executive office is not fully abreast of the trend of our American times, either in business or in Government. Where, for example, can there be found an executive in any way comparable upon whom so much petty work is thrown? Or who is forced to see so many persons on unrelated matters and to make so many decisions on the basis of what may be, because of the very press of work, incomplete information? How is it humanly possible to know fully the affairs

and problems of over 100 separate major agencies, to say nothing of being responsible for their general direction and coordination?

The Brownlow Committee recommended an expansion of the White House staff, and a strengthening of the managerial agencies—Budget, Civil Service Commission, and National Resources Board. It also called for an improved personnel development program—including extension of the merit system—and greater coordination of agency efforts, with reassignment of numerous independent agencies to the major executive departments.

Commenting on the recommendations of the Brownlow Committee in a message to the Congress in 1938, President Roosevelt declared:

The committee has not spared me; they say, what has been common knowledge for 20 years, that the President cannot adequately handle his responsibilities; that he is overworked; that it is humanly impossible, under the system which we have, for him fully to carry out his constitutional duty as chief executive, because he is overwhelmed with minor details and needless contacts arising directly from the bad organization and equipment of the Government. I can testify to this; with my predecessors who have said the same thing over and over again, I plead guilty.

The plain fact is that the present organization and equipment of the executive branch of the Government defeats the constitutional intent that there be a single responsible chief executive to coordinate and manage the departments and activities in accordance with the laws enacted by the Congress. Under these conditions, the Government cannot be thoroughly effective in working, under popular control, for the common good.

The work of the Brownlow committee paved the way for a number of improvements. The White House Executive Office was established and Presidential assistants were provided. The Bureau of the Budget was taken out of the Treasury and put into the Executive Office, and its functions were strengthened. It became a direct consultant to the President on administrative policy, national fiscal policy, program evaluation, and legislative coordination. Later, during World War II, it became a central civilian planning unit for defense organization, and even developed regional field offices. It became thus a major management arm of the President and, to a limited extent, a field coordinator of some Federal programs.

Additional presidential staff assistance was provided after the war: the full Employment Act of 1946 established the Council of Economic Advisers to coordinate economic policy; the National Security Council and the CIA were created with independent standing to assist the President in the coordination of security matters.

Despite these developments, the first Hoover Commission, in its 1948 report, found the executive branch too fragmented for effective direction, and the line of command through some department heads to middle-management so weak or broken, in some cases, that "indecision, lack of initiative, and irresponsibility" were encouraged. The Presi-

dent and the heads of departments, the Commission noted, lacked the tools to frame coordinated programs and policies, and to frame their execution. The report urged the Federal Government to make aggressive steps to build a corps of administrators capable of viewing the governmental process in its entirety. Many statutes and regulations, it stated, were unduly rigid and should be modified. And new approaches to the budget process were needed to express the objectives of Government in terms of work accomplished, not merely in terms of classification of expenditures.

Two recommendations advanced by the Hoover Commission deserve special note: Creation of the post of Staff Secretary to inform the President on the work of Cabinet committees, interdepartmental and special advisory committees, and policy conflicts and overlapping assignments; and establishment of an Office of Personnel to advise the President on methods of upgrading Federal administrative personnel and improving management effectiveness. These two concepts—a special coordinating officer directly under the President, and an office concerned with administrative effectiveness—are embodied in the proposal for a National Intergovernmental Affairs Council.

In 1950, Congress passed the Budget and Accounting Procedures Act, which in addition to providing for more effective accounting and auditing methods, directed the President to use the Bureau of the Budget to develop better organization, coordination and management in the executive branch. An internal reorganization of the Budget Bureau's Division of Administrative Management in 1952, however, left only about one-third of the Division's personnel in the successor Office of Management and Organization, thus reducing the Bureau's capacity to deal with interdepartmental planning and coordination, while strengthening the Bureau's analytical capabilities on a function-by-function basis.

Thereafter, the Bureau's overall management role declined, and this development did not escape the attention of the second Hoover Commission—1955:

The Bureau's concept of its broader role as the managerial arm of the President has been limited. This is particularly true of the area of financial management. The primary emphasis on budget mechanics has tended to obscure the Bureau's broader responsibilities. The Bureau's present title, organization, staffing and operating methods stress its budget responsibilities and subordinate its overall management and policy functions. The Bureau has not provided the financial management assistance required of it nor is its management group staffed to review and promote improved financial management organization and practices throughout the executive agencies. In order to carry out its management responsibilities the Bureau of the Budget should be revitalized.

The 1960's have witnessed a revival of the Bureau's activity and influence in fiscal policy and program effectiveness. Its recently developed program-planning-budgeting system is an example of this. It is a prime resource for detailed information about agency operations.

Its role in coordinating legislative proposals and establishing a liaison with Congress is exemplary. Its efforts to help departments and agencies improve their internal organizations and make more efficient their functional operations have been encouraging.

But when it comes to developing and implementing broad policies of interdepartmental coordination and planning keyed to solving overall problems on a multifunctional basis, it has not been effective. By nature, and by history, the Bureau is not sufficiently oriented to this kind of management responsibility; it has been concerned primarily with budgeting, economy, and functional performance rather than promoting program flexibility and new approaches. Furthermore, as pointed out by the Committee for Economic Development—budgeting for national objectives:

It is thinly staffed, with fewer employees today than in 1948, even though Federal expenditures have more than tripled (and) therefore has not been able to reconcile or coordinate fully the interrelated programs conducted by competing agencies.

Nor has the Bureau developed any effective machinery for dealing with State and local leaders in understanding their major problems, and working out across-the-board solutions. It has only a few professional employees assigned to intergovernmental problems, whose main liaison has been with the Advisory Commission on Intergovernmental Relations and with State budget officers, rather than with State and local administrators in the field.

This is not to say that the Bureau of the Budget could not be directed and equipped to fulfill the function of coordination and intergovernmental contact, but I think we need a new dynamic in the Federal executive policy machinery to take on this role.

Indeed, this was the thought generally expressed by William D. Carey, a most experienced Budget official, in his speech at Williamsburg, Va., in 1962. He said:

I think, myself, that our administrative agencies suffer from too heavy a diet of operating responsibility. On the whole, they are too hardened to keeping the treadmill going, too stale to be creative, or even reactive. . . . I wonder if, after all, there isn't a case to be made out for the introduction of new policy machinery at the level of the President. . . . What public policy needs is a constantly running apparatus for shaking up, disturbing and rearranging the molecules of public policy to produce new combinations.

NIAC is proposed to fill the void which Mr. Carey describes, and which the Bureau of the Budget is apparently neither structured nor inclined to take on.

In addition to the Budget Bureau and other units in the Executive Office of the President, numerous interagency committee and agreements have also been used in an attempt to achieve more effective coordination of Federal programs. According to the latest count, at least 100 of the existing 868 interdepartmental committees, boards, and councils are concerned with domestic programs. This figure, I should add, is smaller than that of 3 years ago. Nevertheless, it indicates that we still rely

heavily on this device for resolving interdepartmental conflict and for promoting program coordination.

But how effective is this mechanism? Most knowledgeable observers within and outside the Federal Establishment agree that such committees, boards, and councils are not a satisfactory means of improving coordination or intergovernmental relations. It is my understanding that, during the past 2 years, some 15 presidential task forces studying various areas of Federal reorganization and administration have come to the general conclusion that these committees are no substitute for a top-level executive unit with the authority to pull the Federal house together, and to see to it that a cooperative Federal policy is implemented and expedited down the line to help States and local jurisdictions better solve their problems. Speaking before a panel at the recent National Conference of Public Administration in Washington, Under Secretary Alan Boyd of the Department of Commerce admitted that a new Department of Transportation was essential because the machinery for coordinating the Nation's transportation policies and programs through the Interagency Committee on Transportation had "frankly failed." He stated:

The committee system, at least in my area, just doesn't work to develop coordination.

Secretaries of departments and other top policy officials assigned to these interagency bodies just do not have the time or energy to dig into their varied problems and come up with meaningful solutions. The tendency is to pass responsibility for attendance at committee meetings down the line to subordinates with little authority to hammer out a joint policy. Moreover, each agency representative insists on protecting his department or agency, and rarely gives in to needed policy changes, partly because of a built-in bureaucratic hostility to coordination and partly because he lacks any real power to speak for his department head. As one very experienced subcommittee officer told me:

The Interagency Committee is little more than a discussion group.

Another serious deficiency is that most of these interdepartmental committees are hopelessly understaffed, if staffed at all. In too many instances, staffing is done on a part-time basis by middle-management personnel from a single agency, oriented to particular functions, and hardly interested in a broad-gaged approach to administrative problems. Further, these working staffs have virtually no authority to see that the watered-down agreements, which have been worked out, are effectively implemented. In short, what agreements are reached are general in nature, arrived at by consensus, with few opportunities for written dissents and for meaningful implementation.

The very alert and experienced junior Senator from Connecticut (Mr. Ribicoff) saw this general problem firsthand when he was Secretary of the Department of Health, Education, and Welfare. At the hearings on legislation establishing the new Department of Housing and Urban Development, he declared:

I sit here as a former Governor, and on either side of me sit two men who were Governors of their States. I have been a member of the Cabinet. I have a pretty good idea about how all these intergovernmental commissions and agencies work where you have five or six secretaries responsible for one basic problem, and you establish interdepartmental committees and somebody down in the 15th or 20th echelon gets assigned to it and maybe they catch a Cabinet member's ear once a year in a passing moment or so, but nobody has basic responsibility.

Of course there are exceptions: Some committees have succeeded in producing helpful studies, plans, operating guidelines, and so forth, but this has largely occurred in the areas of science and technology, emergency planning, foreign affairs, defense, and the space effort. In the field of economic and social development, the interdepartmental device has been a dismal failure. This failure stems largely from the fact that the mechanism involves councils of peers responsible for administering existing programs and subject to the usual bureaucratic and interest group pressures involved with domestic departments and agencies. A council such as the NIAC could provide the bonding medium for strengthening the more important and effective intergovernmental committees and a means for eliminating those which are ineffective.

The emergence of the Executive Office of the President, and especially the Bureau of the Budget, is one institutional response to 20th-century administrative burdens of the Presidency; the heavy reliance on interdepartmental committees is another; proposals for strengthening the President's Cabinet constitute a third. Some reorganization proposals have made the Cabinet the focus of all reform efforts. Prof. Marshall Dimock has written:

The President's Cabinet should become the center of executive coordination. There are few faults of bureaucracy more serious than lack of coordination . . . there is no alternative but to make the President's Cabinet the means to that end.

The National Planning Association's pamphlet, "Staffing the Presidency," has emphasized that there should be "augmented use of the Cabinet as a vehicle for coordination."

Under President Eisenhower, a real attempt was made to implement these proposals and use the Cabinet as a form of interdepartmental collaboration and advice. Following the recommendations of the Hoover Commission, a formal Cabinet secretariat was formed to organize its work, prepare its agenda, keep records, and follow up on decisions made. Contacts were made between the Cabinet secretariat and sub-Cabinet officials to work out administrative conflicts. Special Cabinet-level committees were formed to deal with special problems. The National Security Council, however, was given major responsibility for coordinating foreign affairs and defense programs, and the Cabinet concentrated primarily on domestic, administrative, and political affairs.

History is yet to render a final verdict on this experiment, but we do know that under other Presidents:



The Cabinet was and is—

In Clinton Rossiter's words—

no longer a body upon which the President can rely for sage advice on great issues of state; it is not even, in its formal composition, a gathering of his most important and intimate associates. It is at best a relic of the simpler past, when department heads were thought to be men of broad interests and held in their own hands the whole power of administration.

In my judgment, the critical point about the Cabinet is that the chiefs of our great departments of government are much like deputy presidents. They have administrative responsibilities; they have political responsibilities; and they have special constituencies to which they must attend. Thus they are spokesmen for departmental pluralism, and, as Prof. Francis Heller put it:

Almost as busy as the President, and cannot take too much time for the deliberative tasks.

The President needs a conciliar mechanism for domestic affairs comparable to that available in foreign affairs. He "needs agencies," as Professor Rossiter has noted, "to coordinate executive policy, in the government-at-large, as in the White House." The record suggests that the Cabinet cannot effectively assume these functions. I believe the NIAC can.

The question may be asked: If the Council is to be made up of Cabinet members, why is it needed? Why cannot the concept of a coordinating executive unit be carried out by a high-level Cabinet committee? The answer can be found in the general ineffectiveness of Cabinet committees in the past. They must rely on the cooperation of department heads who are reluctant to cooperate. They are generally chaired by a Cabinet member whose authority is limited by his equality with other Cabinet members, and who by the nature of his office cannot be objective. They are inadequately staffed, if staffed at all, and incapable of providing an effective followup mechanism on the policies and guidelines they develop.

The NIAC is an entirely different concept from a Cabinet committee. It would be a council actively run by the President. Its Executive Secretary would speak for the President in developing policy by which departments and agencies are to be coordinated and intergovernmental conflicts resolved. He would have an independent staff to advise him and the President. Cabinet members and agency heads would be, in essence, advisers to the Executive Secretary in developing policy for Presidential approval. After policy decisions are made, the operating departments are responsible for carrying them out, but the NIAC's Executive Secretary and the staff would be directly responsible to the President for seeing that the job is done in a timely and effective manner. As members of the Council, department heads could, of course, appeal to the President those recommendations of the Executive Secretary and his staff with which they disagreed, but it is hoped that most controversies would be resolved before reaching the President.

The main point of NIAC is that the President would have a special assistant through whom he could pull the Federal Establishment together and direct smoother intergovernmental implementation of Federal aid programs.

#### THE PRESIDENCY AND INTERGOVERNMENTAL RELATIONS

In addition to these broad-gaged efforts to strengthen the President's management capability in the Federal domestic program area, specific efforts have been made to alert and assist the Presidency in coping with its growing intergovernmental administrative responsibilities. The first Hoover Commission report noted that:

The development of cooperative Government, based largely upon grants-in-aid, has had a far-reaching effect upon the executive branch. National problems—

It continued—

cannot be solved by the national Government without reference to the States.

Among other things, it complained that Federal Grant-in-aid programs were unrelated, uncoordinated, and "have developed in a haphazard manner without any one agency—Federal or State—concerned with the overall impact." It recommended that such an agency be established on a continuing basis and in cooperation with the Bureau of the Budget.

In 1955, a temporary commission—the so-called Kestnbaum Commission—completed the most comprehensive analysis of intergovernmental relations since the Constitutional Convention in 1787. It charged that the Federal Government did not afford adequate recognition of the national interest in State and local government, and recommended the following:

- 1) A full-time special assistant in the office of the President, with a staff, as a "coordinating center" on State and local problems;
- 2) An advisory board on intergovernmental relations, presided over by the President's assistant, which, in addition to making recommendations to the President, would convene meetings with Governors, Mayors, and others;
- 3) The creation of interlevel coordinating machinery for particular fields where a number of Federal agencies are involved in State and local relations;
- 4) An intensification of the concern of the Bureau of the Budget with the overall fiscal aspects of interlevel administration;
- 5) The designation of assistant secretaries for intergovernmental relations in certain departments;
- 6) Greater assistance by the Federal Government in helping the States to draft statutes and regulations; and
- 7) Greater attention by Congress to intergovernmental problems.

These recommendations produced one basic result in the executive branch—the establishment of a two-man staff unit on inter-governmental relations in the Executive Office of the President. The President's temporary and ill-fated Federal-State Action Committee, which many assume was another result, came into being after President Eisenhower's 1957 address to the Governors' Conference at Williamsburg. In 1958, the House Government Operations Committee, in its 30th report on Federal-State-local

relations, recommended that the staff unit be strengthened. The report noted:

With the aid of this staff, the President should give concentrated and vigorous attention to the coordination and improvement of Federal grant programs. Particular attention should be directed to the effects of Federal policies on our urban communities and metropolitan areas.

In 1959, as a followup on another of the House Committee's recommendations, Congress authorized a permanent bipartisan Advisory Commission on Intergovernmental Relations, composed of 26 members drawn from the three levels of Government and the public at large. During the past 6 years, the Commission has issued 28 reports containing 200 recommendations for improving Federal-State-local program administration and financial organization. Many of these recommendations directly involve Federal administrative or legislative implementation. Regular contacts for the Advisory Commission with the executive branch are still largely restricted to the three departmental members of the Commission, a Presidential Assistant for Intergovernmental Relations, and a small unit in the Bureau of the Budget. Last May, the Senate and House Subcommittees on Intergovernmental Relations held joint hearings on the 5-year record of the Commission. One of the most frequently expressed complaints made by hearing witnesses was the failure of the Federal executive branch to participate in, concern itself with, and make more effective use of the Advisory Commission on Intergovernmental Relations.

It is particularly encouraging, however, that President Johnson, in his budget message this year, noted that the success or failure of critical new programs depends largely on effective communications and a readiness for action among Federal agencies in the field, and State and local governmental units:

We must open channels of responsibility—

He declared—

We must give more freedom of action and judgment to the people on the firing line. We must help State and local governments deal more effectively with Federal agencies.

The recognition by the President of the need for a more flexible, but more efficient approach to administering joint-action programs, highlights one of the basic goals of creative federalism. It represents a top-level awareness of the critical roles which State and local administrators and legislators must play in the economic and social development of the country. It could lead to a new, more productive relationship between the executive branch and the Advisory Commission on Intergovernmental Relations. And finally, it is the kind of thinking which I feel underscores the need for a National Intergovernmental Affairs Council.

#### THE ADMINISTRATIVE CHALLENGE OF THE SIXTIES

The foregoing historical survey indicates that, despite some recent improvements, the administrative machinery of the Presidency today still resembles its predecessors of nearly two decades ago.

But is our Federal system today the same as it was 20 years ago? Are the administrative burdens of the Presidency today comparable to those of previous Chief Executives?

The answer to both questions is an emphatic "no." American federalism has been subjected to radical changes, and the administrative responsibilities of the President are incomparably greater. During the past 6 years we have added entirely new dimensions to the continuing problem of executive control. One of these involves numbers—expanding programs, soaring budgets, proliferating administrative jurisdictions, and increased governmental manpower. The statistics tell the story:

First. The population explosion, coupled with increased urbanization, has skyrocketed the need for more and different public services.

Thirty years ago, there were some 120 million people in this country, 50 percent of whom lived in our cities. We now have reached the 195-million mark, with 70 percent of our citizens crowded into 227 metropolitan urban areas occupying less than 10 percent of our Nation's surface. By 1975, total population is expected to increase to 225 million and over 80 percent will be urbanized.

The potential chaos of too many people crowding into too limited space is already with us. There is urban, suburban, and exurban sprawl. There is increasing emphasis on improved central city living. Moreover, no matter what the development pattern, metropolitan concentration multiplies the volume and costs of public services, creates an unending drain on public financial resources, and requires an almost impossible effort on the part of elected officials and public administrators to plan and coordinate Federal, State, and local programs.

Second. The total Government response to these burgeoning public needs is already a massive one, involving a wide variety of programs and services.

Twenty years ago, the Federal Government spent less than \$1 billion annually to assist State and local development. Ten years ago, that figure had risen to \$4 billion. Today, there are over 170 Federal aid programs, administered by over 21 Federal departments and agencies, involving an annual outlay of over \$14 billion. Projected to 1975, the Federal contribution could reach the \$50 billion mark. However, the lion's share of the financial burden for public services continues to be borne by the State and local governments. In 1946, they spent a total of \$11 billion to help meet public needs, and this year their combined outlay will reach \$84 billion. Projected to 1975, State and local jurisdictions may well have to increase their annual expenditures to over \$120 billion.

Furthermore, in 1946, State and local governments had a combined debt of \$16 billion. Now, 20 years later, this total indebtedness will reach the \$100 billion mark. The projection of this encumbrance for 1975 is beyond speculation.

Third. There has developed in our country a haphazard complex of local governing jurisdictions, many of which

duplicate or conflict with each other and provide serious obstacles to effective planning and administration.

Today there are over 91,000 of these units operating in our 50 States—General-purpose governments such as counties, cities, boroughs, towns, and villages, with general public powers; and special-purpose districts such as school, fire, water, soil conservation, sewage, and urban renewal districts, with more limited functions but nevertheless having their own independent taxing, planning, and administrative powers. And these special districts usually have jurisdictional boundaries that do not coincide with those of general-purpose districts.

This proliferating pattern of local government jurisdictions has produced chaos in several metropolitan areas; chaos in planning, in governing, and in administering public services to the people who need them most. Many respected public administrators, scholars, and political leaders view these spawning special districts—which in most instances are not directly responsible to the electorate—as a genuine threat to democratic government and effective program coordination and planning.

Fourth. The extraordinary expansion in the number of public employees has paralleled the expansion of budgets and programs, making more difficult the task of developing effective policies of program coordination, innovation, and personnel improvement.

State and local public employment has risen from 3.3 million in 1946 to 8 million in 1965. The Federal Government, on the other hand—despite the popular myth that its roles, too, are expanding—has reduced its employment by 100,000 during the 20-year period, but it still accounts for 2.6 million workers. While total Federal employment has remained remarkably stable, there has been a substantial shift from blue collar to white collar occupations, providing a more complicated manpower mix, and greater problems of coordination and policy implementation at the middle-management level.

While these quantitative problems add one dimension to the President's administrative burdens, certain qualitative problems—especially with respect to the attitudes and caliber of officials administering joint-action programs—constitute another. The Senate Subcommittee on Intergovernmental Relations, which I am privileged to chair, recently completed a 3-year survey of Federal, State, and local administrators to learn their views and attitudes about critical intergovernmental issues. We found substantial competing and overlapping of programs at all three levels, sometimes as a direct result of legislation and sometimes as a result of bureaucratic empire building. We learned that many Federal officials, particularly at the middle-management level, were just not interested in—in fact hostile to—coordinating programs within and between their departments, and were reluctant to encourage coordination and planning among their State and local counterparts.

At the same time, Federal-aid officials

complained that State and local administration was understaffed, lacking in quality and experience, unimaginative, and too subject to negative political and bureaucratic pressures. They found a variety of archaic State constitutional and legal restrictions which continue to block effective application of Federal-aid programs, and hamstringing State and local administrators in developing their own programs.

Perhaps the most serious indictment coming out of the survey concerns the caliber of State and local administrators ultimately responsible for building the Great Society. Confronted with urban congestion, slums, water pollution, juvenile delinquency, social tension, and chronic unemployment, public administrators today must be professionals in every sense of that word. Yet we found that too often they are not, mainly because of the antiquated and patronage-oriented personnel systems which hinder the hiring and keeping of good people.

We found that unfavorable working conditions, low pay, and excessively restrictive bureaucratic rules and procedures discouraged both prospective employees and careerists. Personnel development programs, including opportunities for job mobility, inservice training, and educational leave, appeared to be minimal, except in some of the larger jurisdictions. We found a noticeable lack of effective merit systems, thus resulting in the loading of some agencies with unprofessional, uninspiring, and often unfit personnel. Finally, responsible administrators complained that inflexible rules and regulations—dictating whom, when, and how they could hire, promote, or fire—frustrated their efforts to develop effective staff support. In short, there is a serious crisis in the public service at the State and local levels which, if not confronted, may contribute more than anything else to a weakening of the States, their localities, and the Federal system as a whole.

The extraordinary growth in Government at all levels, accompanied by an equally staggering need for financial assistance and administrative expertise, indicates the scope of the governing burden which rests with State and local leaders, and also with the President. We can no longer isolate major economic and social problems as being a purely local, State, or Federal responsibility. All levels are responsible for reducing racial tension, for seeking better housing and community services, for educating our young people, for reducing crime and disorder, for helping the poor, and for building the Great Society. This is the approach of the traditional grant-in-aid system. And this is the approach of creative federalism—a recognition of the expanding roles of State and local governments as planners and builders of better and more secure environments for our expanding population, and a strengthening of the Federal role as a source of new ideas, incentives for reform, and financial and technical resources to help the States and the local communities better meet their needs.

But the initiative for a creative federalism must start with the Federal Gov-

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ernment. We can hardly expect State and local jurisdictions to coordinate their programs and improve their services if the Federal house is not in better order.

Nor can we expect them to modernize their governmental structures and more effectively plan their development if Federal administrators involved in intergovernmental relations are hostile to these goals.

In short, these new dimensions of the President's role as chief administrator present a double challenge: first, to develop adequate machinery for pulling together the Federal establishment to assist the States and local areas in meeting major problems on a multi-functional basis; and, second, to establish a close and effective liaison with State and local leaders to identify their particular needs and better allocate Federal resources to help them build their communities.

## CONCLUSION

The foregoing suggests to me certain conclusions with respect to the President's general responsibility as chief administrator of domestic programs, and his specific role as manager of the 170 grants-in-aid. In reaching these conclusions, I am completely aware that there are limits to what can be accomplished by institutional changes at the top level. Departmentalism—and the pluralism of American life which sustains it—will never be suppressed by mere procedural innovation. And proposals that ignore these facts of administrative and political life are doomed to failure.

I am also aware of the danger of carrying the institutionalization of the Presidency so far that, as Professor Rossiter put it:

The man who occupies it will become a prisoner of his own house, a victim of too much and too rigid organization.

As I see it, however, this danger is more prospective than actual, since any vigorous President—and the present occupant of this position indeed is such a man—would not permit himself to be smothered by confining custom, legislation, or staff organization.

Finally, as the above suggests, I am fully aware that the Executive Office and other coordinating instrumentalities must be left sufficiently flexible to meet the various uses to which the President wishes to put them. Reform efforts here may appear to be supremely rational, but they will fail if they rely only on rigid prescriptions. The entire function of staff assistance, after all, is to preserve the President's range of choices and freedom of action.

I am still convinced, however, that certain organizational and procedural innovations are needed.

First. There is still the need to enact S. 561, which passed the Senate unanimously last year and now is pending before the House. This measure would establish a coordinated Federal urban assistance policy and provide greater focus to and coordination of Federal urban development efforts.

Second. There is the need for a full-time special assistant to the President for intergovernmental relations; at

present this responsibility is shared by four or five assistants responsible for various program areas.

Third. There is need for additional staff in the Bureau of the Budget to provide more continuing attention to intergovernmental problems, and, as Dean Stephen K. Bailey pointed out in a recent article in the Reporter, "to perform management surveys and to recommend administrative reforms."

Fourth. As the 30th report of the House Committee on Government Operations pointed out 8 years ago, and as the Senate subcommittee's survey of Federal aid officials recommended last year, there is a need at the departmental and agency level for assigning full-time responsibility for coordinating grant programs on departmental, interdepartmental, and intergovernmental bases to an assistant secretary or undersecretary.

Fifth. Finally there is a need for a new executive unit for coordinating domestic programs in the Executive Office of the President—a National Intergovernmental Affairs Council. This would provide the President with the backstopping he has long needed in dealing with this country's economic and social development. He has a National Security Council and the CIA to advise him on policies relating to our national security; a National Aeronautics and Space Council to help him coordinate our space programs; a Council of Economic Advisers to recommend policies on economic growth and stability; and an Office of Emergency Planning to deal with domestic emergencies and catastrophes; but he has no comparable unit for one of the most critical areas—Federal-State-local programs designed to meet our social, economic, and resource problems. The President needs a corps of generalists—not wedded to specific agencies or individual programs—in his office to help him develop new policies for program coordination and to check on their implementation. He needs a staff to give him a continuing report on the status and effectiveness of combined Federal-State-local programs. He should know at all times what is being done through these programs to meet our needs in economic development, community improvement, social welfare, education, and resource management, what is not being done, and what must be done. He needs a unit which can help him work more closely with State and local leaders and help them to better carry out the goals of the Great Society on a total basis. He needs a continuing source of new and constructive ideas regarding intergovernmental finances, for improving economic and social development programs, and for upgrading public administration all along the line—from Washington to the local scene. This need is met by the legislation I introduce today.

Mr. President, I ask unanimous consent that the text of the bill, together with a section-by-section analysis and certain materials relating to this important subject, be inserted in the Record immediately following my remarks.

**THE PRESIDING OFFICER.** The bill will be received and appropriately referred; and, without objection, the bill,

analyses and material requested will be printed in the Record.

The bill (S. 3509) to establish a National Intergovernmental Affairs Council, introduced by Mr. Muskie, was received, read twice by its title, referred to the Committee on Government Operations, and ordered to be printed in the Record, as follows:

## S. 3509

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, in enacting this Act, it is the intent of Congress to provide for a more comprehensive consideration of national policies and programs affecting economic and social development and intergovernmental relations in an increasingly complex society; to provide for more effective coordination among Federal departments and agencies whose activities directly affect State and local governments; to assess the effectiveness of current and projected Federal domestic policies and programs in attaining national objectives within our Federal system; and to provide for the elimination of unnecessary duplication and overlapping among Federal departments and agencies administering Federal aid programs.

Sec. 2. (a) There is established a council to be known as the National Intergovernmental Affairs Council (hereinafter in this Act referred to as the "Council"). The President of the United States shall preside over meetings of the Council, except that in his absence he may designate a member of the Council to preside in his place.

(b) The function of the Council shall be to advise the President with respect to the formulation, implementation and coordination of domestic policies and programs which affect intergovernmental relations and the Nation's economic and social development, so as to enable the Federal departments and agencies to carry out more effectively their activities, and to cooperate more fully with State and local governments in achieving those national goals.

(c) The Council shall be composed of—

- (1) the President;
- (2) the Vice President;
- (3) the Secretary of Housing and Urban Development;
- (4) the Secretary of Health, Education, and Welfare;
- (5) the Secretary of Labor;
- (6) the Secretary of Commerce;
- (7) the Secretary of Agriculture;
- (8) the Director of the Office of Economic Opportunity;

(9) the Chairman of the Advisory Commission on Intergovernmental Relations; and

(10) such Secretaries and Under Secretaries of other executive departments as may be designated by the President, to serve at his pleasure.

(d) In addition to performing such other functions as the President may direct for the purpose of more effectively coordinating the policies and functions of the departments and agencies of the Federal Government relating to intergovernmental relations and to economic and social development, it shall, subject to the direction of the President, be the duty of the Council—

(1) to assess and appraise the objectives and performance of the above-mentioned programs and activities for the purpose of making recommendations to the President in connection therewith; and

(2) to consider any other matters of common interest to the departments and agencies of the Federal Government concerned with initiating and carrying out of social and economic policies and programs which affect intergovernmental relations, and to make recommendations to the President in connection therewith.



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## CONGRESSIONAL RECORD — SENATE

Sec. 3 (a) The Council shall have a staff to be headed by an executive secretary who shall be appointed by the President, by and with the advice and consent of the Senate. The executive secretary, under the direction of the Council, is authorized to appoint and fix the compensation of such personnel without regard to the civil service laws or the Classification Act of 1949 and compensated at not to exceed the highest rate of grade 18 of the General Schedule of the Classification Act of 1949, as amended, as may be necessary to perform such duties as may be prescribed by the Council in connection with the performance of its functions pursuant to this Act. Other provisions of law or regulations relating to Government employment (except those relating to pay and retirement) shall apply to the executive secretary and to Council employees reporting directly to the chairman to the extent that such provisions are applicable to employees in the Office of the President.

(b) Section 105 of title III of the United States Code is amended by adding immediately after the phrase "of the Executive Secretary of the National Aeronautics and Space Council", the following: "of the Executive Secretary of the National Intergovernmental Affairs Council".

(c) The Council shall, from time to time, make such recommendations and such other reports to the President as it deems appropriate or as the President may require.

The analyses and materials ordered to be printed in the RECORD are as follows:

SECTION-BY-SECTION ANALYSIS OF THE BILL TO ESTABLISH A NATIONAL INTERGOVERNMENTAL AFFAIRS COUNCIL

Section 1 states that it is the intent of Congress in establishing the National Intergovernmental Affairs Council to provide for a more comprehensive consideration of national policies and programs affecting economic and social development and intergovernmental relations; to promote greater coordination among Federal departments and agencies whose activities directly affect the State and local governments; to assess the effectiveness of current and projected Federal domestic policies and programs in obtaining national goals within our intergovernmental system; and to provide for the elimination of unnecessary duplication and overlapping among Federal departments and agencies administering Federal aid programs.

Section 2a provides for the establishment of a National Intergovernmental Affairs Council to be presided over by the President of the United States or, in the President's absence, such member of the Council as the President may designate.

Section 2b sets forth the functions of the Council: to advise the President in the formulation, implementation, and coordination of domestic policies and programs which affect intergovernmental relations and the Nation's economic and social development, so as to enable Federal departments and agencies to carry out more effectively their activities, and collaborate more fully with State and local governments.

Section 2c states that the Council shall be composed of the President; the Vice President; the Secretary of Housing and Urban Development; the Secretary of Health, Education, and Welfare; the Secretary of Labor; the Secretary of Commerce; the Secretary of Agriculture; the Director of the Office of Economic Opportunity; the Chairman of the Advisory Commission on Intergovernmental Relations; and such secretaries and undersecretaries of the Executive Department as may be designated by the President to serve at his pleasure.

Section 2d describes certain additional duties of the Council. Subject to the direction of the President, it is authorized to assess and appraise the objectives and performance

of domestic programs and activities affecting intergovernmental relations and the Nation's economic and social development for the purpose of making recommendations to the President. It is further authorized to consider any other matters of common interest to the departments and agencies of the Federal Government concerned with initiating and carrying out such policies and programs and to make recommendations to the President in connection therewith.

Section 3a provides that the Council shall have a staff to be headed by an Executive Secretary appointed by the President. It authorizes this Executive Secretary, under the direction of the Council but not subject to the civil service laws or the Classification Act of 1949, to appoint and fix the compensation of personnel as may be necessary to perform the duties prescribed by the Council in connection with the fulfillment of functions under the Act. Compensation for such Council personnel, however, will not exceed the highest rate of grade 18 of the General Schedule of the Classification Act of 1949, as amended. This provision conforms to comparable regulations governing the personnel of the National Aeronautics and Space Council and the National Security Council.

Section 3b amends section 105 of title III of the U.S. Code and places the Executive Secretary of the National Intergovernmental Affairs Council on the same basis as the Executive Secretaries of the National Security Council and the National Aeronautics and Space Council, as well as certain Presidential assistants, with respect to compensation.

Section 3c provides that the Council shall, from time to time, make recommendations and other reports to the President as it deems appropriate or as the President may require.

EXCERPTS FROM "THE FEDERAL SYSTEM AS SEEN BY STATE AND LOCAL OFFICIALS," A STUDY PREPARED BY THE SUBCOMMITTEE ON INTERGOVERNMENTAL RELATIONS, SENATE COMMITTEE ON GOVERNMENT OPERATIONS, 1963

While agreeing that the Federal, State, and local governments should be interrelated but fully independent parts of a single system, many officials believed that the National Government today is playing too great a role within the intergovernmental relations process, to the detriment of the other levels' respective power positions. As a result they concurred that the Federal Government should relinquish certain taxes to the States in return for the States' assumption of the financial responsibility of certain activities now carried out by the National Government. At the same time, these officials sanctioned the enactment of a number of new grants-in-aid. Further, most of these respondents agreed that there were not too many instances of direct Federal-local relationship in the carrying out of various intergovernmental programs. Practical need and suspicions concerning State governments, as they are presently organized, combine to explain some of these apparent inconsistencies. One way of reconciling these divergent viewpoints, perhaps, is to assume that most respondents in the middle categories implicitly assumed that the respective roles of all levels of government with regard to domestic functions will increase in the future and that some measure of devolution—ideally to States that have been significantly strengthened—will be necessary if each jurisdiction is to assume its proper share of the burden.

Administratively, nearly all of these respondents felt the collaboration-among-equals approach should be further implemented by Federal initiation of certain innovations. Most felt that the organizational requirements for State and local governments under present grant-in-aid programs are excessively rigid and that greater administrative flexibility for these levels is needed for

the effective realization of these programs' goals. While indicating that no excessive difficulty was caused by the variations in accounting among the various grant programs, nearly all of these respondents favored enactment of national legislation providing for uniform accounting and auditing procedures.

An overwhelming number also called for the elimination of the post-audit of grants-in-aid by the Federal agencies and substitution of the audit report by the respective State auditing authorities, with the added provision that the Comptroller General's standards of adequacy and integrity are met and the GAO is authorized to conduct spot audits. Further, though greater organizational flexibility at the State and local level was sanctioned, the use of incentive grants by the Federal Government to induce the adoption of new procedures and/or new organizational forms also won strong commendation.

The underlying factor explaining these various and partly ambiguous positions is the desire on the part of these respondents to simultaneously achieve expanded organizational autonomy vis-a-vis the Federal agencies, a simplification and greater standardization of Federal accounting and auditing practices in the grant-in-aid area, and a strengthening—even with Federal assistance—of their own administrative structures and practices. Though the particular means of implementing these three objectives are not always consistent with one another, all are viewed as necessary ways of invigorating the State and local governments.

In the field of grants-in-aid as such, these respondents expressed many criticisms. While accepting the device in principle, most felt that periodic congressional review of all grants-in-aid was necessary for strengthening it as an efficient means of interlevel cooperation. Many stated that present grant programs had led to an imbalance in the services performed by the other levels of government and that the equalization factor had been carried about as far as it should be. Nearly all agreed that Congress should consider legislation to make the apportionment and matching formulas within present grant programs more uniform and attempt to standardize the definitions of frequently used terms. Overall, then, the grant is accepted and greater use of it is urged for the future; yet their approval of some devolution of grant-aided functions, better congressional oversight, a simplification of administrative regulations, and a reexamination of the overall emphasis in grant programs is a clear sign that most of these officials reject the idea that existing grants are wholly effective collaborative mechanisms.

With respect to total governmental revenues, these respondents as a whole were unable to make any clear-cut recommendation as to whether there should be a strict division of the tax sources among the three levels or whether each should continue to be allowed to select its own tax sources. Either alternative from the State or local viewpoint could be interpreted as an attempt to maximize the authority of their levels of government in tax matters. This view was more clearly reflected in the overwhelming support for congressional adoption of some form of payments-in-lieu-of-taxes legislation, for continued Federal tax exemption of State and local bonds and other debt obligations, and for no action by Congress which would provide for statutory standards and limitations on the power of States to levy taxes on multistate businesses. Their fairly strong support for the proposal that the Federal Government should establish tax credits for income taxes paid to State and local governments did not tie in with these other stands, since this in the long run would force many of the States to adopt this



tax. In general, however, there was overall consistency in the tax field. The twin goals of larger revenues and greater fiscal autonomy explain the compatibility of their responses to various fiscal questions, as well as their views on the two issues which produced disagreement and an apparent inconsistency.

Of the three levels of government, these respondents most frequently singled out the States as the level most in need of strengthening. More equitable legislative reapportionment and the establishment of a State department or office of metropolitan and/or local affairs were strongly endorsed. In addition, most of the criticisms already cited in the administrative, fiscal, and grant-in-aid areas reflect a broad underlying belief that the States at present are not participating to the fullest extent. The apparent departures from this position are reflected in their unwillingness to have Federal highway taxes on trucks collected by State tax agencies, their rejection of the proposal that all grants-in-aid to local units should be channeled through State governments and their failure to concede that there are too many direct Federal-local relationships at present. These are not really inconsistencies at all, however. They reflect the fact that most of the respondents are local officials. Even more important, they are obviously premised on the existing system of State governments. These apparent discrepancies then provide, in fact, additional evidence that these two groups consider the States to be the weakest links in the chain of Federal-State-local relations.

Respondents' positions on many questions dealing with local government appeared to be less consistent. Most officials, for example, conceded that there were too many units of local government in metropolitan areas, yet they believed that the "home rule" concept had not been carried far enough in meeting local and areawide governmental needs. Further, while emphasizing local initiative, State governments were assigned a major responsibility for enabling and assisting the local jurisdictions to meet the many challenges that presently confront them. Nearly all favored a reduction or elimination of the present State limitations on local taxing and borrowing powers, and strongly approved the creation of a State agency on metropolitan or local affairs to help local governments deal with various aspects of urban development. State enabling legislation to permit the formation of charter commissions within metropolitan areas was also sanctioned.

The Federal Government was also assigned a significant role in assisting local governments to help themselves. Matching incentive provisions, within Federal grant statutes, for the development of areawide projects and proposals in metropolitan areas were accepted. Legislation providing for review and comment by an areawide planning body on Federal grant applications for a series of activities within metropolitan areas was also favored. As was previously mentioned, however, most respondents within these two categories rejected the idea that the existing network of direct Federal-local relationships was undesirable and opposed the suggestion that all grants-in-aid to the local units should be channeled through the State government. Whatever discrepancies crop up in these various positions spring from the fact that most of these officials implicitly endorsed three basic objectives with respect to this jurisdictional plane: First, the legal and fiscal position of local governments must be strengthened; second, areawide problems must be met by reliance on the voluntary, cooperation-among-equals approach; and third, neither of these objectives can be achieved without significant assistance from both the State and Federal levels. These goals, in turn, relate directly to the overriding desire to more fully implement their

ideal of vigorous, untamed local governments.

Many of the previously examined proposals for strengthening the power positions of State and local governments were prompted by the respondents' belief that the central government has assumed more than the "primus inter pares" role which most were willing to concede to it. The resulting relationships, then, do not correspond with the parity-of-power principle in their operating theory of intergovernmental relations. These same officials, nonetheless, placed a heavy responsibility—as we have seen—for correcting this imbalance squarely on the shoulders of the National Government. While they conceded that States and local units of Government must by themselves launch many corrective measures, there was far less agreement as to what these governments should do than on actions the Federal Government should take. Their view that the Central Government is partially responsible for the power imbalance, along with their awareness of the divergent problems within the 50 States, helps explain why no consensus emerged as to what specific measures should be initiated at their levels. The most important reason for this reluctance, however, is the fact that most of these officials reject the concept of standardized reforms and believe that the essence of State and local autonomy is freedom of choice with respect to the various proposals that might be enacted to buttress these two sets of governmental institutions.

EXCERPTS FROM "THE FEDERAL SYSTEM AS SEEN BY FEDERAL AID OFFICIALS," A STUDY PREPARED BY THE SUBCOMMITTEE ON INTERGOVERNMENTAL RELATIONS, SENATE COMMITTEE ON GOVERNMENT OPERATIONS, DECEMBER 15, 1965

#### BUREAUCRACY AND FEDERALISM: SOME OBSERVATIONS AND PROPOSALS

This study began as a survey of the views of Federal aid administrators on some of the more troublesome issues confronting our federal system. As the study progressed, it also involved an analysis of some of the problems in contemporary public administration. As such, it became a study of middle management, since practically all of the survey's respondents are bureau chiefs or division heads.

The conventional wisdom of public administration holds that middle management is the principal home of the specialists—not the generalists—in the bureaucratic structure. This is not surprising, since the civil service classification system is still largely based on specialized principles and since appointment to this level usually comes to in-grade bureau personnel, not to outsiders. Further, the administrative unit which middle management executives head is the bureau or division. And this relatively homogeneous structure is built to perform one task or a series of closely related tasks. As such, it is a highly stable organizational unit that reorganization plans may shift around, but rarely abolish. Finally, most bureau chiefs and nearly all division heads have permanent tenure and thus are able to exert a continuing influence toward achieving unity and consistency in administering the programs falling under their jurisdiction. Stability based on tenure; professionalism based on technical training, experience, and program goals; and a narrow functionalism based on the relatively homogeneous program mandates of the bureau and division—these are the usual traits of middle management found in the lexicon of public administration experts.<sup>1</sup>

<sup>1</sup> Leonard D. White, *Introduction to the Study of Public Administration*, Fourth Edition (New York, MacMillan Co.), pp. 88, 99; and Mary O. H. Niles, *Middle Management* (New York, Harper, 1949), *passim*.

Four behavioral themes recur throughout the questionnaire responses of nearly all of the 109 administrators participating in this survey. These themes both correspond to and expand on the foregoing traits of middle management.

Functionalism, or the respondents' preoccupation with protecting and promoting the purposes of their individual programs, was the most important single conditioner of their comments regarding the items examined in all five parts of the questionnaire. This is in keeping with the normal role of an executive assigned to this administrative level and with the specific character of their program mandates. It is this norm that accounts for their intense desire to maintain clear channels of communication and to promote the closest possible relationship with their functional counterparts at the State and local levels. It is this norm that helps explain the aggressive defense of their programs' objectives. It is this norm that generates the special brand of politics—program politics—which successful middle management administrators so adroitly practice. And it is this norm that produces their general insensitivity to many of the diplomatic niceties required for more successful intergovernmental relations.

Professionalism, or the deep commitment to the merit system principle and to the technical and ethical standards of the specialized group to which they belong, dictated their answers to nearly all of the questions in the preceding chapters on State Organization and Intergovernmental Personnel. It is this norm that explains their keen interest in upgrading the expertise, tenure, and administrative capabilities of their counterparts at the State and local levels. It is this norm that explains their attempts to reduce to a minimum the meddling of "dilettante generalists" at any point in their administrative operations. It is this norm that explains their distrust of partisan intrusions into the administration of these programs. And it is this norm that explains their difficulty in arriving at a balanced definition of the public interest as it applies to the State or metropolitan level.

Standpatism, or the rigid defense of traditional practices, procedures, and principles, is a theme found in the great majority of their answers to the items covered in the chapters on Federal aids, financial administration, and metropolitan area problems. As the conservative defenders of administrative continuity and stability against innovating pressures from above, from below, and from outside, these middle management officials could hardly be expected to indicate that present channeling and disbursement practices, accounting and auditing procedures, and program activities in metropolitan areas are something less than sensible and sound. This norm, of course, is necessary to balance the impetus for change and to provide the proper administrative milieu for the implementation of any program. Yet, this norm and its adherents must also be recognized as the major obstacle to any reform in the problem areas reviewed in this survey.

The fourth behavioral norm—Indifference, or the cavalier dismissal of serious questions and topics as being irrelevant or unimportant—was reflected in responses to every section of this questionnaire. Nearly every item produced a large percentage of "no opinion" replies, and several items produced "not relevant" comments from agency heads whose programs clearly were covered by the issue under examination. And even the clear-cut answers of many respondents indicated a complete indifference to the critical significance of the topic in question. This attitude, of course, is partly an extension of the three traits previously discussed. Middle management executives, with a strong functional, professional, and status-quo orientation, are not likely to approach broad questions of a multifunctional, interlevel,

interagency, or coordinating nature with any great enthusiasm or concern. But this attitude also relates to other factors. It stems in part from the ignorance that only the narrow specialist can display toward broader questions of management, policy, and governmental operations. It stems in part from an acute awareness that their expertise is needed and that their administrative positions are fairly secure. It stems in part from their recognition that many of the larger intergovernmental questions can only be resolved by others more directly involved in the decisionmaking processes at the Federal, State, and local levels.

What, then, is the theory of these Federal executives?

At no point did any of the respondents develop one. Nor was it expected, since middle management executives are supposed to be pragmatic administrators, not political theorists. Yet careful assessment of the answers to certain key questions indicates that the respondents do have a general idea of what intergovernmental relations are and how they should operate. In short, they have a theory of federalism, and more than three out of four adhere to the same interpretation of the system.

Few among the majority would recognize the elements of this theory as being the logical corollaries of their responses to one or more of the survey's questions. None probably would accept all of its provisions. Yet the following hypotheses are, in fact, the basic features of the theory of federalism, which emerged from the majority's responses.

(1) The Federal, State, and local governments are interrelated parts of a single governmental system; each level, however, must effectively discharge its mandated responsibilities if all of its rights as a member of this partnership are to be preserved.

(2) Most domestic functions of government are shared, but the Federal Government, as the senior, most progressive, and most affluent member of this partnership, has been forced to assume a disproportionate share of this responsibility.

(3) Policymaking in intergovernmental relations is a multilevel process, but obstruction—not collaboration—is as likely to be encountered from elected policymakers at the State and local levels.

(4) The administration of joint action programs is a mutual—and, ideally, a professional—undertaking. Their authorizing legislation establishes them on a functional basis, and the vertical lines of communication and collaboration between and among the functional specialists in Washington and their counterparts in the field must be kept clear and unbroken if the bases of genuine cooperation are to be maintained.

(5) The Federal grant and other aid devices are, and will continue to be, the most prominent and positive feature of contemporary federalism. They—not block grants, tax credits, or similar devices—provide the only time-tested techniques whereby the levels of government can collaborate effectively to fulfill common purposes and to meet certain national standards. Moreover, if not burdened with partisan or nonprofessional interference, they can also serve to strengthen the States and local units of government, since they rely primarily on these jurisdictions for administrative purposes and tend to upgrade the caliber of the civil servants employed by these levels. Efforts to achieve greater consistency and uniformity in the operation of aid programs ignore the basic

fact that each program is designed to accomplish a specific public purpose, hence, administrative and financial practices and procedures must be geared to the needs of the individual program and not to any abstract standardized principles.

(6) Responsive and responsible State governments are vital for an effective federal system, yet most States do not possess these characteristics and are not likely to acquire them in the near future. Most States have failed to exert a maximum tax effort, to eliminate outdated limitations on the taxing authority of local units of government, to adopt statewide merit systems, to improve the salaries and professional opportunities of their civil employees, to establish greater order in their own metropolitan areas, and to revamp their political systems. In short, they have failed to achieve the minimum requirements of a democratic government in the mid-20th century. It is necessary, therefore, to continue those provisions in grant and other aid programs which minimize threats to effective collaboration among program administrators at the various levels.

(7) General units of local government, when properly empowered and financially aided by the States, can act as effective partners in Federal-State-local and Federal-local joint action programs. Special-purpose districts and authorities grow out of particular local and areawide needs and of the States' failure to strengthen the fiscal base of general units of local government; as such, they serve a useful purpose in helping to implement certain Federal aid programs.

(8) Rapid urbanization challenges traditional intergovernmental functional relationships; yet it is largely through strengthening these individual relationships, along with some increase in informal interagency contacts, that this challenge will be surmounted. Excessive preoccupation with regional or areawide principles and mechanisms can slow up the implementation of much-needed urban development and, in some cases, subject program administrators to additional political pressures.

(9) Intergovernmental relations are primarily a vertical and diagonal system of financial, functional, and administrative arrangements; the primary purpose of such and all of these relationships is to meet the demands of the American people for better or new public services. Intergovernmental relations, then, function as the essential means to this great end, not as an end in themselves.

(10) Successful intergovernmental relations are chiefly successful bureaucratic relations. Authorizing legislation, funds, and oversight come from legislative bodies. Policy directives, budgetary review and control, and administrative rules and regulations come from top management. And advice, assistance, and support, as well as complaints, criticism, and censure, come from officeholders at all levels, individual citizens, and interest groups. These basic forces of our pluralistic political system shape and sustain the broad, complex pattern of intergovernmental relations. The day-to-day conduct of these relations, however, falls to Federal middle management administrators, their field personnel, and their functional counterparts at the State and local levels. Well-intentioned but misguided reforms that ignore or undermine the team effort of these wheelhorses of federalism threaten the dynamism of the system itself.

These, in brief outline, are the features of the majority's rather unusual theory of American federalism. To revert to the kitchen, the ideal dessert of these respondents is not a layer or marble cake, and certainly not a marble cake cut into layers, but a large brick of barlequin ice cream containing 143 (depending on your aid count) flavors. And they want their end-of-the-

dinner delight straight from the freezer with no melting at the bottom or top and no special syrup over it. With this theory of federalism, we leave the pantry and go to the refrigerator.

These contrasting analogies, of course, are based on contrasting emphases and principles. This theory's cooperative, functional, and anti-State-and-local-elected-official bias makes it completely unacceptable to the States' righters. Its nearly equal recognition of the role of competitive forces and its basic stress on the professional administrators as the real architects of cooperative federalism do not conform to the Grodzins-Elazar thesis. Its unsympathetic treatment of such topics as the power position of the States and general units of local government and their elected policymakers; more flexible regulations for aid programs; and Congress' role as strengthener of the federal system—to mention only three of the foremost differences—is in marked contrast to the positive positions taken on these issues by the majority participating in the previous survey. This, then, is an atypical interpretation of our federal system.

Like others, this "barlequin" theory both identifies points of tension within the system and creates tension points by the mere fact that its adherents occupy a critical position in contemporary intergovernmental relations. The basic problem areas highlighted in the theory are threefold.

First, there is tension horizontally between administrators at the various levels, created by the failure of the governments at the lesser levels to upgrade the professional capability of their civil employees.

Second, there is the tension vertically between the professional goals of administrators of intergovernmental programs and the political goals of the policymakers at the various levels of government.

Third, there is tension, both vertically and horizontally, between individual program administrators at every level and public administration authorities, some intergovernmental relations experts, and some sectors of top management. The latter, in their search for greater manageability, coordination, and simplicity and for less fragmentation, program insulation, and administrative pluralism, lose sight of the fact that these programs, and the larger system of which they are a part, are geared to serving the people's public needs, not the private or public needs of politicians, top administrators, or levels of government.

This theory of federalism also generates friction, since its proponents are major participants in the intergovernmental process and since its normative features—to a greater degree than its descriptive features—actually condition the official behavior of these respondents.

First, its unifunctional and professional bias, along with the normal motives for bureaucratic survival, tends to create tension among the Federal administrators of the various aid programs. This is especially true of the relations between the administrators of newer and those of older, more traditional programs.

Second, the theory's specialized program and bureau emphasis creates severe problems for departmental officials and various units in the Executive Office of the President. This occurs because top management and staff are charged with the duty of integrating the functions of individual bureaus and divisions with the national function of developing a coherent, timely presidential program based on scaled priorities; with the ultimate executive task of balancing the bias of particular administrative units with the general role of government as the "impartial instrument of a symmetrical national develop-

\* The minority differed primarily with the majority only with respect to the principles developed in items 6, 7, and 8. (See chapter V, pp. 71-82.)

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ment," as Woodrow Wilson once phrased it.<sup>10</sup>

Third, this theory's antipolitical and anti-innovation bias conflicts with, and even threatens, the efforts to policymakers and others at all levels who are seeking to bridge the communications and authority gaps at the Federal, State, and metropolitan levels, especially where the gaps impede the proper formulation and administration of urban development programs.

To sum up, the theory adhered to by three out of four of these Federal aid officials identifies three major sources of conflict in contemporary Federal-State-local relations:

(1) Professionalism at the higher level versus a lesser degree of professionalism at the other levels;

(2) Professional program administrators versus elected policymakers at all levels; and

(3) Administrators of individual aid programs versus intergovernmental reformers.

And because this "harlequin" theory of federalism is an operating precept as well as a descriptive interpretation, it produces its own areas of conflict:

(1) Professional administrators of one aid program versus the professional administrators of others;

(2) Specialized middle management versus generalized top management; and

(3) Conservative bureau heads versus innovators seeking to strengthen other components of the federal system—the States, our metropolitan communities, and the decision-making process at all levels.

[From the Reporter magazine, Mar. 24, 1966]

#### COORDINATING THE GREAT SOCIETY

(By Stephen K. Bailey)

Probably no series of legislative enactments in U.S. history has created more complex administrative problems than those recently passed under Lyndon Johnson's leadership. They have three things in common: their implementation cuts across existing departmental and agency lines within the Federal government; they demand almost heroic responses from state and local governments in order to succeed; they require a combination of technical and administrative skills that are critically scarce in the society at large. Despite the demands of the war in Vietnam, the critical shortage is not money but people to carry out the programs and effective administrative machinery. Neither Medicare nor aid to education nor the poverty program has either of these at the moment.

The poverty program alone, based on the Economic Opportunity Act of 1964, is being handled by a multiplicity of agencies. Some of its projects are directly administered by the Office of Economic Opportunity, headed by Sargent Shriver and based in the Executive Office of the President; others are not. While the Job Corps is run by OEO, the Neighborhood Youth Corps is administered by the Department of Labor; the Work Experience Program by the Welfare Administration of Health, Education and Welfare; the Rural Family Loan Program by the Farmers Home Administration of the Department of Agriculture; the Economic Opportunity loans by the Small Business Administration. And this catalogue does not begin to touch efforts related to the poverty program but not formally a part of it: for example, the Rural Community Development Service in the Department of Agriculture; the Economic Development program in Commerce; and the Appalachian Regional Commission, an autonomous organizational entity composed of state governors and a single Federal representative.

<sup>10</sup> Woodrow Wilson, *Constitutional Government* (New York, Columbia University Press, 1908, 1921), p. 21.

Such various sources of attack provide an undeniable impetus to the campaign against poverty, but they do not make for administrative tidiness. The difficulties in Sargent Shriver's position are patent: vested with over-all responsibility for the poverty program, he must negotiate, co-ordinate, even command and veto activities of departments whose Secretaries outrank him in status-oriented Washington. It is perhaps symptomatic of his situation that the Economic Opportunity Council, headed by Shriver and composed of the Cabinet Secretaries and agency directors with responsibilities in the drive against poverty, met only four times in the first year of the program.

There have been some attempts to unsnarl the administrative lines. Agriculture and OEO, for example, have established a task force to coordinate Federal efforts to eliminate rural poverty. But the search is still on for a way of providing general direction for the total war on poverty. The miracle is that in spite of the administrative confusion, Shriver can point to the award of 1,800 Community Action grants, half a million Head Start youngsters, eighty-seven Job Corps centers in operation, and 1,800 trained VISTA volunteers—all accomplished in eighteen months of frenetic activity. But the administrative problems remain, and they will get worse before they get better.

#### THE PROLIFERATION BARRIER

The problem of administering programs whose boundaries are amorphous is a general characteristic of the Great Society. A recent New York Times report on education found that, despite the formal responsibilities of HEW's Office of Education, important new education programs are found in most of the eleven Office of Economic Opportunity programs, as well as in five programs in Cabinet departments. Civil-rights responsibilities are similarly assigned, and have recently been reassigned, to each individual governmental agency. In spite of heroic work by Vice President Humphrey, no central bureau effectively co-ordinates the various efforts and policies in the field of human rights.

At present more than forty different Federal programs provide aid for urban development, yet the most careful of studies—that of the Advisory Commission on Intergovernmental Relations—falls to reveal "any evidence of a unified urban development policy." In the field as in Washington, inter-agency contacts are predominantly informal. Where formal arrangements have been made, they are usually bilateral rather than multilateral. The new Department of Housing and Urban Development (HUD) will make inroads in this confusion, but it will not end it. Bureaus of at least four other Cabinet departments, as well as a half dozen or so independent agencies, administer grant programs to urban areas. As a result, separate Federally assisted programs tackling different aspects of community development—physical, economic, and social—are often quite separate. In the area of assistance for local waste-disposal facilities alone, four different Federal agencies handle similar grant or loan programs in dissimilar ways.

If barriers to effective administration seem nearly insurmountable in Washington, they grow even more so away from Washington. Between the nation's capital and the ninety per cent of Federal employees who work in other parts of the country, among Federal field agencies, within state governments, within and between local jurisdictions, and among Federal, state, local, and private agencies working at similar purposes, a lack of co-operation and the absence of effective co-ordination threaten the very base of the President's programs.

#### ROOM AT THE TOP AND ELSEWHERE

There is often imperfect understanding between Federal field agencies and their

headquarters in Washington. Federal regional and district offices representing scores of departments, agencies, and bureaus are sprawled haphazardly across the landscape. State and local officials find real difficulty in getting answers to their questions at local Federal offices. Problems must be referred upward through the hierarchy, laterally across agency jurisdictions, and screened at many stage along the way. The urgently needed decentralization of decision making can be achieved only after a thorough reorganization of the Federal field structure.

But implementation of the President's program is equally dependent for its success upon state and local governments. Here too the hazards are severe: metropolitan areas, each composed of dozens and even hundreds of anarchic local government units that are largely unconcerned with the needs of the whole interdependent area; state legislatures whose malapportionment has made them unconcerned with the plight of their urban areas for generations; and state bureaucracies inadequately staffed to fulfill the needed functions of program co-ordination and information gathering for rational community and regional development.

Affecting all levels of government from the operating level to high policymaking positions is the dire shortage of trained and talented people to plan and manage the thousands of projects and programs of the Great Society. I can perhaps best illustrate this dearth of manpower with an example from the field of education. The searching examination of our school system that was stimulated by the launching of the first Sputnik in 1957 revealed serious deficiencies in the training and competence of a dismaying proportion of our classroom teachers. And the problem reaches upward into the top levels of state educational systems. "Few states can command competent personnel," Ronald Campbell, one of the most talented educational administrators, now dean of the Graduate School of Education at the University of Chicago, commented recently. "Possibly only the New York State department is prepared to be an equal partner with the U.S. Office of Education."

And what of the situation in the Office of Education itself? With an operating budget that has multiplied fourfold in the last two years, it is undergoing a determined effort to reorganize itself to meet its responsibilities. One step below its excellent chief administrators, in the crucial top fifty or so civil-service posts, nearly forty-five per cent of the positions were "vacant" as of last summer. Many others are still filled by holdovers from the more relaxed atmosphere of the Office's years of fiscal and programmatic neglect.

Another characteristic of the Great Society programs is the degree to which they become of necessity involved in the competition and conflict of local political machines and social institutions across the country. The OEO, for example, has authorized a third of a billion dollars in Community Action grants, each of them based on projects designed by community leaders, local officials, and neighborhood councils in more than a thousand different localities. Thus, along with the benefits of broad citizen participation, these Great Society programs inherit the headaches of local political struggles.

A case in point is the battle joined by Mayor William F. Walsh in Syracuse, New York, and an Independent Community Development Association. To the Republican mayor, this Federally subsidized campaign to organize, as a part of its program, a "democratic" voter-registration drive in the city's poor wards looked suspiciously like an effort to build "Democratic" organizations. The conflict over the \$125,000 program has been fought almost daily in the news media of Syracuse since last spring, and at various



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stages has taken either the mayor or program participants to Albany, Washington, and the LBJ Ranch. In a similar vein, the Conference of Mayors has complained that city-sponsored Community Action agencies are sometimes bypassed; and governors have testified before Congressional committees on the erosion of state sovereignty implicit in direct OEO links to local communities.

In many cities the poverty program has indeed brought about a revolutionary assault on the established social structure. The new famous requirement set forth in Title II of the Economic Opportunity Act for "maximum feasible participation of residents of the areas and members of the groups served" calls upon the administrator to bring into his organizing effort the very people he is trying to help, the traditionally alienated and effectively disfranchised. How widely the representatives of the poor will be effective partners in the design and implementation of the poverty program remains to be seen. In San Francisco a persistent and well-organized campaign brought them a series of victories that now leave them in numerical control of both the San Francisco Economic Opportunity Council and the Council's executive board. More commonly, as in Syracuse, neighborhood representatives find themselves outnumbered and outmaneuvered. But expectations have been aroused and will doubtless continue to complicate administrative operations of the Community Action programs.

At the same time, the Great Society is increasingly dependent upon the co-operation and initiative of commerce and industry. Appalachia's \$840 million in new roads will not rehabilitate the region unless new trucks are rolling on them. Regional development plans, no matter how well formulated, will not bring progress to other economically backward areas unless businesses and factories take imaginative advantage of the \$3.25-billion Public Works and Economic Development Act of 1965. Streams and rivers and air will not be effectively cleansed without the active co-operation of the managers of the private economy (or for that matter the public communities).

This kind of Federal partnership with private enterprise in achieving the Great Society is already at work in the Job Corps, where a number of contracts to run residential training centers have been let to corporations whose usual activities are far afield from education. While Shriver has praised the record of corporation-run camps for their efficiency and their job-oriented programs, a highly publicized report on one of them, Camp Kilmer, by a panel of Rutgers professors criticized the camp's authoritarian atmosphere and its administrators' lack of understanding of young people raised in poverty. Yet training centers run by educational or community organizations have had their problems, too—brawling, prostitution, marijuana, sloppy bookkeeping. As Job Corps Director Dr. Otis A. Singletary has pointed out, "We don't recruit angels into the Job Corps." A certain degree of mayhem is built in.

#### ASSIGNING THE CHALLENGE

It is easy—and politically popular—to overstate the administrative difficulties created by the Great Society programs. But administrative tidiness is not the be-all and end-all of government, and competition is often as desirable among government agencies as it is elsewhere. Nonetheless, the dangers are real and the need for new administrative machinery and methods correspondingly urgent. Federal programs must be more effectively related to each other and must complement state and local programs without the sacrifice of initiative, experimentation, and momentum.

What should the President's role be in such a broad and ambitious enterprise? Certainly

not that of personally supervising the operation of the national government, but rather of setting the necessary forces to work. For one thing, he can strengthen the capacity of his own Executive Office to recommend and enforce organizational change. In the West Wing of the White House and in the office building across the driveway are the President's supporting staff—those most capable of breaking the inertia and self-interest that protect existing jurisdictional patterns in the Federal establishment. The Bureau of the Budget, especially, needs additional staff to perform management surveys and to recommend administrative reforms. The entire field structure of the Federal government, as I said earlier, requires drastic overhauling and a decentralization of decision making. And with increasing authority assigned to Federal field offices, new interagency information sharing, planning, and program coordination must be made possible at the regional as well as at the Washington level. The President should also insist that "overhead" money be given to state and local governments to assist their administrators in setting to rights their present haphazard participation in the scores of Federal aid programs.

The President has already led the way by raising the standards for top Federal administrators. He must now set higher standards for recruitment at all levels. By establishing suitable incentive or sanctions he will also encourage greater effectiveness at the state and local levels.

Indeed, the President in his 1966 Budget Message and in subsequent special rural and urban development messages has already indicated his awareness of what is required. Ultimately, however, the real burden of administering the Great Society is not on the President. The Great Society should be seen rather as a Presidential challenge to the American people. Looked at in this way, it represents a return to local responsibility. Its success depends not upon the administrative genius of the President but rather upon the co-operative energies of officials and citizens throughout the nation.

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